COURT REPORTER: Janet Shaddix Elling, RPR

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MR. MICHAEL KALUZNIAK: Good morning folks. Thank you for coming out this morning.

My name is Michael Kaluzniak, I'm a staff member of the Public Utilities Commission. And I always like to not reward those who are late by starting on time the best I can. I do appreciate you coming out.

Today we'll be talking about the Great Northern Transmission Line Project. It's a 500 kilovolt project, a transmission line coming down from Canada and terminating near the Blackberry Substation.

This is the routing proceeding for the process. I've got many slides to go through here, they give me a very long slide presentation, so I'll try to make it as brief as possible.

If there's something you'd like more information on, please raise your hand, you can interrupt me if you like. Feel free to stop by afterwards and I'll be here as well.

We have a court reporter here taking notes for us so that we can enter your comments of not lose what you're telling us here. We will probably take a break at 12:30 if we go that long, otherwise we'll go through.

There are various agencies involved with this process. As you probably know, if you've worked with governmental units before, there's a lot of interagency coordination. I'm going to run through just briefly who everybody is here and hopefully get to your comments as soon as we can.

As I mentioned, I'm with the Minnesota Public Utilities Commission. We're a five-member body, about 60 staff members, we regulate the permitting of power plants, pipelines, transmission lines, wind farms, as well as landline telephones, utility rate paying, service areas for telephone service, and natural gas rates and service as well.

Minnesota Power is the applicant for the project. They have applied to the Commission for the permit. I'll come back to the agency discussions here in a bit.

Because this is a transmission line greater than 100 kilovolts and longer than 1500 feet in length, they're required to obtain a route permit from the Public Utilities Commission.

There is also a similar proceeding going on that relates to the need for the project.

Minnesota law requires that the applicant obtain a certificate of need from the Commission prior to the

approval of any route permits. And there's a separate docket for that, it's docket 12-1163. Ιf you care to look at that, I'd be happy to help you find it.

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The need question on a state level relates to the determination of whether it's in the best interest of the consumers in Minnesota and surroundings regions to have the project go forward and also determines the size, type, and timing of the project.

Routing itself relates to generally two things -- generally speaking, two things. The first being the location of the route itself, where would it go and, secondly, what are the permit conditions necessary to minimize potential impacts of the project.

So these are some of the factors that are considered by the Public Utilities Commission by law in determining approval for the route, things such as human settlements -- obviously we don't want to impact lives more than we have to -- public health and safety and so forth.

If I'm going too fast, I can slow down, too, but people tend to get tired after about 10 lines.

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There are other factors that are considered and some of these things that are identified here on this slide relate more to the permit conditions themselves. Using existing right-of-ways and corridors and so forth is desirable versus going through new land that has no previous development, for example.

Again, the permitted route includes the actual route itself, the line, essentially saying this is the centerline of the project. Around that line there is a corridor and that's the permitted route. The route is basically a strip of an area of land in which the line can be placed.

The actual alignment is determined by working from the anticipated alignment as the process goes forward and is evaluated, and we fine-tune it. It is ultimately determined after the issuance of the route permit itself through a process administered by the Department of Commerce and approved by the Commission for the actual plan approval.

I should note, also, that there is a federal layer to this process. We'll have somebody from the Department of Energy here speaking about that shortly as well, and they have a separate

review process as well. We're trying to gain some efficiencies by doing some of the work together here today.

Here is some information on route permit issuance. The Commission itself does not administer the acquisition of land, easements, or otherwise for the projects once we approve them. Minnesota law explicitly removes that authority from the Commission, so we don't have the authority to direct who gets what where beyond the awarding of the route permit itself.

This is a high level view of the routing proceeding. Starting with application acceptance, this has gone on -- it went on last month, I believe. Acceptance doesn't mean that the application is okay and we're going forward with the project, what it means is that it contains sufficient information to proceed with our analysis.

And here we are in the second blue box there, the rectangle, the public information and scoping meetings, to gain more input from the public on the process.

If I could, could I have you raise your hand if you've been to one of these meetings before? Have you folks been to a meeting by Minnesota Power?

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A few of you. Okay.

To provide some more information about the process, within the routing there is an environmental review that goes on. Bill Storm from the Department of Commerce will speak to that in a short while and discuss the environmental impact statement and the scoping proceeding.

The main reason we're here at this proceeding is to obtain more information from you about what you feel the impacts of the project as proposed would be and whether there's better alternatives available and if there's additional permit considerations included in the final route permit.

Basically, as we go forward, this takes a separate track. So you've got the joint environmental review, an environmental impact statement being developed by the Department of Commerce and the Department of Energy, but also there's the Public Utilities process. Eventually those two kind of come together upon issuance of the final EIS and recommendations from agencies and some testimony developed through these later evidentiary proceedings.

Those materials are brought forward, we

have an administrative law judge who will help us summarize the information, do analysis on its legality. He works with another state agency called the Office of Administrative Hearings and he will issue a report. That report will come back to us, the Commission, we will analyze it and then bring it forward for a decision.

That's anticipated in total to take approximately 18 months on the outside, no guarantees on this. This is an estimated project timeline, I wouldn't put too much thought in these numbers that are there. We are on track with it right now, we are here in July.

This is part of the Notice of Comment

Period that went out. The Commission establishes

dockets for each of its individual cases and

projects. This is docket 14-21, 14 being the year,

21 being the 21st project filed in this year.

We issued a notice of completeness on the application on April 18 and established a comment period on the initial completeness previous to that.

The Commission then made a decision in June, as I mentioned, to approve it and go forward. At that point we referred it to the Department of Commerce for this proceeding.

I'm going to skip through a couple of these.

This is what our website looks like. You can see how you would sign up for information. You can do that online at our website by clicking on the appropriate docket number and signing up for it. In the eDocket system there will be dozens and dozens of items already entered into it. Typically with these larger projects we run into the hundreds, in fact, some are well over a thousand.

If you don't want that much information there are other ways to participate. One of those would be to get on the project mailing list, have yourself put on that. We have some orange cards over here to fill out, please put the project number on there, and we can make sure that's put on there as well, and then we can notify you, preferably by e-mail, it's a lot easier than us having to mail thousands and thousands of pieces of paper if they're not of interest. But we're happy to help you in any way if you need to gain that information.

There are also speaker cards here if you wish to sign up to speak. Typically people will fill one of these out if you need to speak and get out of here, you have something else you have to do

and we put these in front of the line.

So this is a comment paper, comment page form developed by the Department of Commerce, and Bill will speak to this. But generally this is where you would enter your comments. You can also do this online. You can also do it in writing, you can do a fax, you can do an e-mail.

I think the important thing to note on this is that, again, we're looking at both where the line will go and the permit conditions. So if there's a graveyard we don't know about or some feature out there that needs to be taken into consideration on the proposed routes, this is what we want to know about.

The other piece that's important to know about this is that we need to help the Department of Commerce do its work by getting this information, but also asking them to compare it apples to apples. So Bill will talk about some of the criteria they use for evaluating these things and how they would determine which line or which alignment is the appropriate one to choose, and there's a lot of criteria that go into that.

If you check the application materials, for a typical environmental impact statement, you'll

see many factors -- distances to houses, number of trees, type of land -- and all sorts of different things go into that decision. And so there's many factors that weigh in on this decision. If you'd like to see a different route alignment, there is one not on the table that should be, or one that's already on the table that needs to be considered in a different way, we need to get to an apples-to-apples comparison of all of these features. So please try to be as explicit as possible.

You should also notice that the applicants have three people in the back with geographic information systems set up, ready to go, doing maps for your property so that you can get a better idea of what's there. And they can not only give you a map of your facility as it relates to the location of the proposed line or route alternatives at stake, but also they can give you a lot more detail. So feel free to take advantage of that while we're here.

Project contacts. This is from the

Public Utilities Commission. We have cards over

there for Tracy, I have some here for me as well.

Tracy is the public advisor, I'm filling in for her

because she's unavailable today. I work with the planning unit that helps develop the recommendations, I brief the Commissioners. The Commissioners follow these items very closely. We try to keep our process as transparent and inclusive of the public as possible, and we really appreciate you turning out today.

So, with that, I will turn it over to Mr. Storm, who will -- I believe you're next.

DR. JULIE ANN SMITH: It is actually me.

MR. MICHAEL KALUZNIAK: Oh, excuse me. I will turn it over to Julie Smith, who will speak on behalf of the Department of Energy. And there's a federal environmental impact statement and she will speak to that and then turn it over to Bill Storm from the Department of Commerce.

Thank you.

DR. JULIE ANN SMITH: Hello. My name is Julie Ann Smith and I work for the United States

Department of Energy. I'm with the Office of Electricity Delivery and Energy Reliability.

I also would like to thank you today for coming and taking your time to attend this meeting.

Your presence and input are absolutely vital to this process and vital to a robust public participation

piece that is so important to the environmental impact statement process.

This is a scoping meeting, which is all about us, or me, from the Department of Energy perspective, listening to you. The DOE needs to hear what issues you think we should consider in conducting our environmental analysis.

The reason we're here today is, again, because Minnesota Power is proposing to construct the Great Northern Transmission Line Project. This is an international transmission line and Minnesota Power has asked the Department of Energy for a permit to cross the U.S./Canadian border. Minnesota Power submitted their presidential permit application to the Department of Energy in April of 2014.

Essentially, before any electric energy transmission facility can be built across the U.S. international border the project proponent must obtain a presidential permit from DOE. A DOE presidential permit authorizes the company to construct, operate, maintain, and connect electric transmission facilities at the border crossing.

The DOE is involved in this proceeding for one reason, the proposed transmission line would

cross the international border. If the line did not cross the international border I would not be here with you today.

With that said, the DOE does not have authority to site this line. Only the State of Minnesota, specifically the Minnesota Public Utilities Commission, has that authority. The Department of Energy does not convey the right of eminent domain with this presidential permit, nor can the Department of Energy address the issue of compensation for land that will be impacted by the proposed Great Northern Transmission Line Project.

Before DOE can issue this kind of permit, we must comply with the National Environmental Policy Act or, in short, NEPA. NEPA is the federal law that serves as the basic nation's charter for environmental protection. It requires that all federal agencies consider the potential environmental impacts of their proposed actions.

NEPA is based on a set of principles. Full disclosure and public participation that enhances understanding on all parts, not only for you to understand the process but, more importantly, for us to understand your knowledge of the area and the project. And so basically that's why we're here at

the scoping meeting.

The second principle is that we explore alternatives to the proposed line or action that we received in the application. That includes a no-action alternative, which contemplates what would happen if the line were not built. It also requires that potential impacts be assessed with rigor, scientific rigor, that we consider mitigation or ways to reduce or avoid impacts to resources, and that we must weigh options and explain decisions. And as Mike explained, those options need to be explored in an apples-to-apples sort of context.

NEPA basically promotes better decisions and informs agency decision-making and provides you the opportunity to learn about what we as a federal agency are proposing to do and for you to speak in a timely way and provide us information and comments on our proposed actions.

In terms of process, NEPA is often referred to as an umbrella statute, in that it allows agencies and private developers to comply with many, as you see on this list, of the environmental health and safety related laws for which we are all responsible before we can take action. We analyze the potential effects for

federal agency action to numerous resource types and include other human sort of related issues like environmental justice, socioeconomic impacts, recreation, aesthetics, things like that, in one analytical document. And as Mike mentioned, we are developing this EIS in concert with the state so that we can increase efficiencies and reduce redundancy and the times that we come back to get information from you.

For this proposed project, the DOE has determined that the appropriate level of analysis in NEPA is an environmental impact statement. This coincides with the decision on the part of the state to also prepare an EIS.

An EIS essentially tells the story of the project. The Great Northern EIS will analyze the foreseeable environmental impacts that might flow from the DOE granting the presidential permit. The EIS will also identify steps that might be needed to mitigate environmental impacts.

The other federal agencies involved at this point in the project are the U.S. Army Corps of Engineers, St. Paul District, and the U.S. Fish and Wildlife Service. They have permitting or oversight authority for proposed facilities within their

respective jurisdictions. The U.S. Army Corps of
Engineers is currently a cooperating agency with the
Department of Energy in the preparation of this EIS.

So, once again, we're here to listen and to get your comments and suggestions for the issues that we should be addressing in the EIS. We would also like to know if there are any alternative routes for the proposed project.

Once the scoping period closes, and this is sort of an overall step-wise process of the NEPA EIS process, once the scoping period closes on August 11, 2015 -- '14, sorry, we will get to work on preparing the draft environmental impact statement. That will take several months. Once that draft is completed, it will be posted on our website, which will be up here in just a moment, and distributed to anyone that has signed up on the mailing list.

If you want to be on the mailing list, once again, you can sign up at the table by the door by using the state form. We are sharing information, so any information that you submit to the state, the Department of Energy will also receive. You can also sign up on our website. And I put that up.

There will be at least a 45-day comment period for you to review the draft environmental impact statement once it's done and we make it publicly available, and you can submit comments at that time. During the comment period on the draft EIS you will be able to submit comments by writing, e-mail, mail, fax, all of the traditional ways. And we will also be coming back to Minnesota to hold public hearings to receive oral comments on the draft EIS. So we will be back after the draft EIS is issued.

After the close of the comment period on the draft EIS, we will prepare the final EIS. Every comment received, that we get on the draft EIS, will be included and responded to in the final EIS. Once again, we will respond to every single comment that we receive on this project. When the final EIS is completed, it will be sent to anyone on our mailing list and posted on the EIS website.

By law, the Department of Energy may not make a final decision on the Great Northern

Transmission Line presidential permit application until 30 days after publication of the final EIS.

And that decision would come out in the last step, which is called the record of decision.

At the completion of the EIS process, the Department may or may not issue the presidential permit. If the Department were to issue the presidential permit, the transmission line and associated facilities could not be built unless and until all other state, local, and federal permits are obtained.

For this meeting, I want to draw your attention that we do have a stenographer that is here to write down any comments that you want to come up and give to us orally. Whether or not you choose to speak, you are invited to send us written comments. All comments, whether written or oral, are treated the same and have equal weight.

We will accept comments until August 11th at the close of the comment period, however, we will consider comments that are submitted after that date to the extent that we can.

If you have any specific questions about the project itself, representatives from Minnesota Power are here, along with their technological gurus, to provide you with that information, and maps, and they can basically give you the details, whether that's about routes, how they got to the routing alternatives, or even tower designs.

So, once again, several ways to make scoping comments. More importantly, I want to draw your attention to the www.greatnorthernEIS.org website. There is a comment -- submitting your comment function there. Any comment that is submitted will be made public on this EIS website. We do that in a very timely way so you can see your comments as well as other comments from the various meetings.

Also, when we produce certain documents we will be posting those documents to this website, so please, once again, mark this. This is a good place to go to find all of the information related to the environmental reviews -- federal and state -- related to the proposed Great Northern Transmission Line Project.

Once again, thank you very much for coming.

MR. BILL STORM: Okay. Thanks, Julie. Thanks, Jules.

Minnesota Power is going to give a presentation on the process, their project, let you know about their project. Once they're done it'll come back to me and I will give a short talk about what environmental review is all about, and then I

will be soliciting comments from the audience on what issues and what alternatives you want me to consider in the environmental impact statement.

So I'll turn it over to Dave with Minnesota Power.

MR. DAVID MOELLER: Thanks, Bill.

My name is David Moeller, I'm an attorney at Minnesota Power. We have other folks from Minnesota Power here, including Jim Atkinson is in the back there, who you've probably met or talked to on the routing especially.

I want to give a quick overview on the project itself, as Bill said, and then we're here to listen, and we thank you for coming today. And we hope this is not just the first time you've heard about this project, we've tried to be out here a lot, as the slides discuss.

The first one is we consider this project not just a transmission line, but an important project for our nation as a whole. And as we develop energy that provides the renewable aspect, diversity of what we're doing, and other aspects that go beyond just a transmission line.

Minnesota Power considers the Great

Northern Transmission Line part of a larger plan.

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We have to file a resource plan with the State of Minnesota, the Public Utilities Commission, every two or so years, and this has been a part of our last couple of resource plans. And as we see hydro energy, what we'll get off of the Great Northern Transmission Line, as an important aspect how we view going forward.

MR. BILL STORM: Can you people hear in the back? Okay.

MR. DAVID MOELLER: Okay. Is that better? Okay. Thanks.

Minnesota Power historically has been a coal-based utility. When I started at the company in 2005 we were 95 percent coal. Our goal is to get to a third, a third, a third, meaning a third of coal energy, a third of natural gas and purchases, and a third of renewable. And we consider the Manitoba Hydro output that we will receive off this line under the renewable bucket, even though it doesn't count under the Minnesota requirements for renewables because of the size of the hydro facilities in Manitoba. But we see this project as helping to meet those goals of getting to a third, a third, and what we've termed energy forward.

Beyond Minnesota Power's needs, we also see the line as serving needs for the region as a whole. This slide talks about three different aspects. The first is diversity, meaning diversity of the fuel mix so that as we have new regulations from EPA, as we have other requirements as a utility, Minnesota Power as a utility and other utilities, bringing in hydro energy helps meet that fuel diversity and generation diversity.

We also see the line as helping support increasing demand. In particular, Minnesota Power has increasing demand on the Iron Range with new mines coming in and other aspects of other new projects happening within Minnesota Power's service territory. So the 250 megawatts of energy capacity that Minnesota Power will receive, plus another 133 megawatts of energy off of this transmission line helps serve those needs of our customers which we're required to meet per Commission requirements.

And then, finally, reliability. We always hear about keep the lights on, and this transmission is an important part of reliability. Right now there's only one major line between Manitoba and Minnesota, the existing line that's near here in Roseau. This would be a second source,

a second 500 kV line to connect those two important systems and to provide additional reliability, not just for Minnesota Power but for the region as a whole.

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Besides the important part of kind of showing what the need is for the project, we also have on a parallel path determined what is our siting and permitting strategy. And Jim has been at the forefront of this, as well as other folks here, having open houses, meeting with people throughout the whole study area. And we started a path, first, you know, what is the critical things that we need to figure out as we build the transmission line or route a transmission line. Make sure that there's no fatal flaws to what the routes or potential areas Define the study area, which we will have a are. map of in a second. And then engage stakeholders multiple times, as the slides will show as well. And then determine what those range of alternatives are based on that input. It's not just an exercise that we do on our computers back in our offices, it will be taking your input and trying to -- and figuring out what is the best place or where are the best places we can go with a transmission line.

And then finally under the last bullet is

apply for permits. And as Julie and Mike said, we have applied for permits from the Department of Energy and the Minnesota Public Utilities

Commission, as well as we'll have to apply for other permits that I'll talk about in a second.

This slide is probably too small for anybody to see, but the two headlines are opportunities and constraints. As you can see, the opportunity section is pretty small and the constraint section is pretty long. And the reason for this is to say that there are opportunities, you know, where we follow existing corridors, follow existing transmission lines for routing transmission lines, but there's also many constraints in places where we try to either avoid or can't go at all based on state law. So we take those factors into consideration as we come up with a range of alternatives of where the transmission routes could be.

As I mentioned earlier, we have done multiple rounds and engaged in stakeholder outreach. This is the first one that we did, in May of 2012, with all the different locations, including here in Roseau. And then we took that outreach and started defining study areas and study corridors. We got

down to more specific areas, or shorter -- or, not shorter, but more defined areas in round two. And in round three additional areas. And then we decided that for round three we needed to come back up here in this area and see additional areas for where the border crossing could be and have additional input from folks.

And then after all that input, plus other analysis that we did, we came up with route alternatives, which we call the blue and the orange routes. And the maps, as Mike and Julie mentioned, we do have GIS people here who can give you more detailed maps of where your property is in the vicinity of a route alternative.

So those are the two main routes, the preferred and alternative routes. The blue route is our preferred route over the orange route, and there's a common area on the border to the first split there.

This next slide just gives you kind of an idea of how we narrowed it down. From a study area of 19,783 square miles, to corridors of 7,900 miles, to specific route options, looking at over 2,400 miles, to the route alternatives that we had in the fall of 2013. And then, finally, once the line's in

service and the rights-of-way that are going to be required for this project is about 200 feet of right-of-way, there will be about eight miles of actual impact. Not where the structures are, but kind of the whole right-of-way, or 220 miles of line.

MR. JIM ATKINSON: I just wanted to make sure that everyone knew that the GIS stations are available not only for getting maps for yourself, but we will actually digitize suggested alternatives right on those and make it part of the record as well.

MR. DAVID MOELLER: Thanks, Jim, I should have said that earlier.

This slide is, again, a summary of the different input that we had from individuals and agencies, with multiple meetings, open houses, comments, online comments, other forms of comments.

And then we were here in February as well for scoping meetings on the certificate of need environmental report. And Bill can talk about that as well. So we've been out here once for one official public hearing, and we'll be back for additional hearings on the certificate of need, as well as on the route permit, as Julie and Mike

mentioned.

And we see the major permits, we'll have to get additional permits for crossing highways in other parts of the project, but there's really five major permits. The certificate of need that we talked about, which is saying if the project is needed, and that's a determination by the Minnesota Public Utilities Commission; the state route permit, which this hearing is part of and also from the PUC; the federal presidential permit as Julie from the Department of Energy discussed for the border crossing; and the related environmental review.

We also will need a section 404 permit under the Clean Water Act from the U.S. Army Corps of Engineers for impacts to wetlands. Primarily where the substation is going to be in Blackberry near Grand Rapids, there will be impacts to wetlands there. There's also impacts to wetlands along the whole route, but the permit is mostly tied to the substation impacts.

And then we'll also need a permit from the Minnesota Department of Natural Resources for crossing state lands, or they call it a license, so we'll have to obtain that as well.

And the last two we have not yet applied

for but we're in the process of preparing those applications, and some of them are contingent on where the Commission ultimately determines where the route should be.

That's my last slide. So we, again, appreciate you coming, and as Jim said, please feel free to use our GIS resources if you have specific mapping questions or if you want to look at different route alternatives.

Thank you.

MR. BILL STORM: Thank you, Dave.

Good afternoon. My name is Bill Storm, I'm with the Department of Commerce. The Department of Commerce serves a function in this process as we provide -- we facilitate some of the program for the Public Utilities Commission, who is the final decision-maker, but our biggest role is we are responsible for the environmental review.

An environmental review in this context of this docket means an EIS, environmental impact statement. And as Julie said, since there is a federal component to this thing, the feds also need to do an environmental impact statement. And what happens there commonly is, to reduce redundancy, the feds and the state will work together and will

produce one environmental impact statement that satisfies both the fed's needs and the state's needs.

Before I go into the program, I just want to go over what was on the table. If you're not on our mailing list and you want to be on our mailing list, please fill out a pink card and give it to either Mike or myself. Speaker cards, if you want to speak tonight. There are slides of the presentation that we are going over, and these slides have information on them that you may find useful as you start thinking more about the project.

There is also a comment sheet. I do have a court reporter here tonight to take your comments on the record and they will become part of the official record, but if you don't feel comfortable speaking in front of a crowd or you want to think about it a little bit more, I have these blank comment sheets that you can take home and fill out at your leisure. You can fill them out while you're here, if you fill them out while you're here, if you fill them out while you're here, just drop them in the box and I'll make sure they get incorporated into the record, too, as a comment. But my e-mail, my snail mail, my fax number is already on here.

The next thing is a fact sheet the

Department of Commerce puts out that explains

easements and right-of-ways relative to transmission

lines. You may find that interesting.

And the last thing was a draft scoping document. The main reason I'm here tonight is since I have to write an environmental impact statement for this project, one of my first tasks is to come to the public and ask the public what issues or concerns or alternatives do you want to make sure that I evaluate in the environmental impact statement. So this document lays out what that process is all about. And it also provides a table of contents to what I think is how the environmental impact statement should be organized and the issues. And I'll be covering how I want you guys to help me flesh that out in a second.

Mike talked about the process a little bit, I'm going to try to keep it short because there is some redundancy in these slides. But you are here, we're at the public meeting, we have a public meeting here this week, and next week I'm doing a road show across northern Minnesota having these public meetings, soliciting input from the public on issues and impacts and alternatives you want me to

evaluate.

Once the public meetings are done, the physical meetings are done the end of next week, there will be an open comment period. The comment period is open until August 14th, I think, and I'll show a slide, the last slide will show that. And that gives you the opportunity to not only comment here at the meeting, but also submit written comments during that open comment period. Once the comment period closes, I will take the comments that I got.

And everything I do, as far as environmental review, I'm also doing it jointly with Julie's group at the feds, but I'm going to talk in my first person, so just assume that the feds are along with me on this.

Once the comment period closes, I will then assemble everybody's comments. I will give the applicant an opportunity to put their input on all the comments collected, and then I will make a recommendation to my commissioner on what the scope of the environmental impact statement should be.

When you think about a scope of an environmental impact statement, think of a table of contents -- what should that EIS cover, what issues,

what concerns, what potential problems.

Once the scope is laid out, we will then begin working on the environmental impact statement. Once -- the environmental impact statement will take the information we have already on hand and then generate other information based on comments I get from the public, comments I get from local units of government, comments I get from state agencies, and we will produce the EIS in a draft form.

Once the EIS comes out in a draft form, I will be back up here for another road show to take comment on that. That's an opportunity for the people to say, well, Bill, you missed my comment I made, or, Bill, you didn't take my comment, so you didn't flesh it out the way I wanted you to flesh it out. So we'll be doing another road trip to take comments. That road trip will then have a comment period following it. Once that comment period ends, we will start working on the final EIS.

And the final EIS is basically the draft
EIS with another volume to it that lists all of your
comments and then our responses to your comments.

And those responses may be out of scope, the
comment's out of the scope, it wasn't in the scope,
or it may be that's a great point, go back and look

at section 4, we revised it and changed it based on the information you gave us. Those types of things.

Once the final EIS -- as the final EIS is being written, once the draft is out, we had the meetings, we're writing the final EIS, we will be back in the area for a public hearing. The public hearing, as Mike said, is with an ALJ, an administrative law judge from the Office of Administrative Hearings, and that's to take your comments on the whole process.

Once that road show is done there's a comment period, written comments come in, the judge will then make a report with recommendations and findings, that report goes back to the Commission, and the Commission eventually makes the ultimate decision, and that decision is is the EIS adequate, should we grant a route permit, and what conditions should we put on that route permit. So that's basically the schedule in a nutshell.

In the State of Minnesota on large energy projects such as a transmission line, there are two types of environmental review. A full process and the alternative process. This is a large project so it has to go through the full process. The full process includes a public scoping and comment

period, that's what we're doing now. A scoping decision, the decision comes out from my commissioner on what the table of contents of the EIS should be. It contains an EIS, a draft EIS. It has a public meeting and comment period on that draft EIS, and then a final environmental impact statement based on the comments on the draft EIS.

The purpose of what we're here tonight to do is to give the citizens an opportunity to participate in my development of the scope, my development of the table of contents of that environmental impact statement. And you do that by suggesting alternative routes or route segments and by suggesting specific impacts, specific issues or specific areas that you're concerned about that you want to make sure the EIS covers.

Okay. The scoping decision by rule must do three things. It must identify alternative routes, if any, to be addressed in the EIS, specific impacts that are going to be addressed in the EIS, and it should also provide a schedule of when the EIS should be completed.

The EIS, Jules touched on this, is basically a written document that describes the human and environmental impacts of the transmission

line and any alternatives that make it into scope, and methods to mitigate those impacts. So that's basically what the document is. The document is basically -- it's not a decision document, it's a fact-finding document. It lays out the facts of the potential impacts, potential mitigation, and of the alternatives in the route.

This is where this document comes in and where your help comes in. Like I said, what I'm trying to get from the public on these road trips is I'm trying to get issues that you're concerned about, that you want to make sure -- that you might have local knowledge about that you want to make sure I cover in my environmental impact statement.

An example is, if you look at this document here and you look at the table of contents, the table of contents in my draft scope is very broad. Biological resources, air resources. What I'm asking the public to do is help me fill in the detail there. If you look on here, you can look at table of contents, item 5.13 is natural environment. Okay, that's a pretty broad category. Subcategories are pretty broad, too, one of them being flora, plants. And you may have a particular knowledge of something, you know, along County Road E or along

Highway 101 I know there's this Lapland buttercup, and that's right in the middle of the transmission route and I'm a little worried about that, so I want to make sure your EIS talks about the impact of this transmission line on that Lapland buttercup and how you could mitigate it. Maybe move the line a little bit, adjust the right-of-way a little bit, or maybe move the plant a little bit or have some other mechanism that mitigates the potential impact to that plant. That's easy.

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The hard one is, you may have an issue that you're concerned about, but you think the best way to mitigate that issue is by proposing an alternative route or alternative route segment. on cases like this where we have a 300-mile line, we're mostly dealing with alternative route Somebody has an old stand of ancient cedars on their property and they look at the maps in the application and the route is going right through that, that gives them a little concern so they want us to evaluate an alternative route that avoids that area, you know, that avoids that impact. So what you'd be asking me is you'd be saying, okay, Bill, I see in your draft scope you have a section on alternative routes. I want to propose an

alternative route segment, 'cause I have an issue that I think the only way to mitigate that issue is avoidance, and I want you to consider this alternative route. That's what I'm seeking here.

And if you want to do that, the rules that we play by require you to put something on the table also. One is you have to explain to me why you want this alternative route or route segment. And that is what are you trying to mitigate, you know. And the second item is you have to give me all the supporting data. So if you're trying to mitigate because of that Lapland butterfly -- or whatever it was, plant, you have to explain it, why you're trying to mitigate it.

There could be, like the old cedar stand, there could be an airport runway, there could be anything that you're trying to mitigate that you think the only way to mitigate it is with an alternative route segment. This is not for, I don't want to look at it on my property so let's move it to Joe's property. Because in that vein you haven't mitigated anything, you've just moved the impact somewhere else. So those types of responses don't carry as much weight.

And I'll run you through some examples of

1 what I did. This might be kind of hard to see. But 2 you can see, this is a case that we did, a line 3 running between Tower and Embarrass, okay. 4 utility at the time wanted to run their transmission 5 line down, I think that's 135, okay. So it's going across a series of private properties. And along 6 7 this road, the people are set back a little bit from 8 135, but not a lot because who wants to plow all 9 that, and the original proposal was to run that 10 transmission line between the homes and the road. 11 And the people were a little concerned about that 12 and they also had local knowledge of a whole tract 13 of land that was tax-forfeited land, that was public So although their issue was we really don't 14 15 want that crossing our property, the bigger issue 16 was why cross private property when you can cross 17 public property. So this alternative was put forth, 18 was asked for in this type of meeting, made it to 19 scope, was evaluated in the environmental document. 20 And when the route permit came out, the route, the 21 Commission did decide to run it down the 22 tax-forfeited land, down the public land. 23 Another example is another transmission

line. The purple line is a rebuild of a transmission line from a 69 to a 115 that a utility

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1 wanted to do. There was a group of people who were 2 concerned about a historic property that was located 3 right in front of that 69 kV line. They felt that 4 jumping up to a 115 kV line would be too intrusive 5 to this historic property. They wanted to mitigate the impact of this historic property and they came 6 7 forth with two alternatives. They came forth with a 8 route alternative segment, which came out of the 9 route, you can see the route, that real faint line 10 there, they came out with the blue one that came out 11 of the route and down, that's a route alternative 12 segment. And they also came through with this 13 dotted line, which is an alignment adjustment. They 14 stayed within the route but they wanted the 15 alignment changed a little bit. Both of these, 16 because they were trying to mitigate the impact to 17 an historic structure, made it through scope. 18

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Now, at the end, the Commission, when they made their decision, they did not think that the impact to the -- once they reviewed the record -- the environmental impact statement and the record from the hearing, they did not feel that the impact was significant to the historic structure and they permitted the rebuild where the applicant wanted it.

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This next one is another property where the transmission line was going across a series of public -- or private property again. The series of landowners along this strip of land knew that there was a corporate paper mill land just to the north side of the road. And they asked, Bill, would you evaluate the impact of moving that line to the north side of that road in your EIS. That made -- that seemed reasonable to me, it made it into scope, and when the Commission finally made their decision at the end they did permit that line on the north side of that road, across the corporate property rather than the private property.

Another one. There was another transmission line, it was a rebuild from a 69 to a 115. There was a property owner who had a memorial real close to the existing 69 line. They asked if I would evaluate moving that route across the road to avoid any possible impact to this memorial they had for one of their family members. It seemed reasonable to me, it made it to scope. In the environmental impact statement we laid out the physical coordinates of where the memorial was located, we photographed it, we looked at what it would look like -- made an artistic rendering, what

it would look like with a transmission line there, and in the end the Commission felt that the memorial was far enough away from the right-of-way that it would not be impacted and they granted the line the way the applicant wanted it.

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This is another situation Another one. where there was a transmission line rebuild going again from a 69 to a 115 kV, we see that a lot. Somewhere along the line the county road was adjusted and moved. The 69 kV line followed the county road, and then somewhere along the line the county road was moved up, these property owners were asking, since you're going to rebuild it, can we move it up to the road again like it was before. Ιt made sense to me, I incorporated it into the scope, and when the decision came out from the PUC they did make that adjustment and they did permit the transmission line to follow the new road.

So that's what I'm -- I'm trying to put in perspective, when I'm asking the members of the public to give me alternative routes or alternative route segments for me to consider, I do that for a historic perspective so you can see what I'm looking for and that you have to be mitigating something, you know, you have to be able to hang your hat on

SHADDIX & ASSOCIATES

something.

Okay. This slide just shows that I don't work in a vacuum, I work with the other state agencies, the Department of Transportation, the Department of Health, the Department of Natural Resources, the Pollution Control Agency. We sort of work together. And those agencies that have downstream permitting authority, they ran through a list of potential permits that are required after this, if they are granted this permit. The statute requires those agencies to play with me, to participate in my process. And this is just an illustration of that same thing. I'm not working in a vacuum, I am gathering information from the other agencies.

Dave went through the downstream permits.

Now, normally, on a transmission line project like this, you have two sources of information. You'd have the Department of Commerce's website, which is right here, and we track all the documents, we track all the public comments, and you can find them there. And then you also have the Public Utilities website, which is called eDockets, which also tracks the same thing. I believe our website is more user-friendly to the

nonprofessionals. But in this case you're also now going to have a third one because we're working with the feds. And the feds, through Barr Engineering, have a separate website that Julie talked about.

So this is -- the comment period will go on, as I said, through August -- I think I said 14th, but August 15th. So I'll be collecting your comments. You can send your comments -- and again, this is a little different because I do have Julie here, so you can send your comments to me, you can send your comments to me, you can send your comments to Julie, or you can also go to the website that Julie mentioned and make your comment there. So there are three avenues for you to make comments.

We're going to share all the comments among ourselves, so I don't want you to think that your comment is going to get lost. But if you want to send a comment to me on scoping, on an issue that you want to make sure I cover in the environmental impact statement, or you want to come up with an alternative route, please send your comments to me.

U.S. mail, e-mail, fax, and also our website has a spot where you can comment. You can also send your comments to Julie and you can also send a comment on the website that the feds are setting up for this

process.

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Wherever you comment -- and you can comment here tonight. Wherever you comment, your comments will become part of the record, public record. We have here tonight, I know everybody touched on it, we have the applicant's consultant, HDR, who have set up the GIS station, so if you want to look at where this route is relative to your property or relative to your interests, I encourage you to go over and talk to these folks, find it on the screen, they can print out a map of it. If you have a comment that you want to tie to that, if you say, you know, I'm concerned about this buttercup or I'm concerned about Pinhook Bog -- I always use Pinhook Bog for some reason -- you can go over to the GIS station, have them find it, print out a copy of it, put your comments on it, and submit your comment either in the box, send them to us at the address that's available, and we'll make sure your comment gets into the record. But remember the comment period closes on the 15th of August.

So that's the end of my presentation.

What I want to do now is I want to turn it over and
I want to get to you people. Since nobody filled
out a yellow card, I'm just going to do it by hands.

Can you hold on one second?

What I'm going to do is I'm going to ask for a show of hands since nobody turned in a card. I'll pick you out, I want you to come, step to the mic, looking at the court reporter I want you to state and spell your name and then either ask your question or make your comment. If you have a question, ask your question, and if I think it's appropriate for DOE or Minnesota Power or Mike to answer because it's in their realm, I'll ask them if they want to answer that.

Okay. Show of hands. You in the back, would you please come up to the mic, state and spell your name for the court reporter.

MR. DARIN HELLER: Darin Heller -- is this on? Darin Heller, D-A-R-I-N, H-E-L-L-E-R.

Okay. My question is, if we have a mile-and-a-quarter swath that they're asking for the permit route to go, and they can put the line anywhere in that mile swath once they get the permit approved, how are we supposed to be able to ask you for a revised route if we don't even know where the actual line is going to go?

MR. BILL STORM: Okay. I'll let Jim answer that. As I recall, there's terms that we

should -- the route width, the route that they're requesting from the Public Utilities Commission is 3,000 feet, right?

MR. JIM ATKINSON: Well, it varies, it's anywhere from 1,000 up to about 3,000.

MR. BILL STORM: So that's the route. So what a utility does is they come to the Public Utilities Commission for a route. And within that route is where they're going to put their alignment. Their alignment, your right-of-way is 200 feet on this project, right?

MR. JIM ATKINSON: Right.

MR. BILL STORM: So somewhere in that 3,000 feet, they want to put their 200-foot right-of-way, okay. In the application they do show their anticipated right-of-way. Okay. This is a 3,000-foot-wide route, this is where we anticipate putting the alignment. They want the flexibility of the 3,000 feet so that if they do get the permit and as they hit boots on the ground, somebody may say, well, I'd rather have you go behind my house than in front of my house on the road. So they need a little bit of flexibility for that.

There are certain situations where there's an interest or a concern that a landowner

has, that the landowner is saying, look, okay, I understand they want 3,000 feet here and I understand they have an anticipated alignment, but I want to make sure that -- I want to narrow that down more for my property because I have a concern. I want to make sure that they are right here through my property.

You can request that when we get to the public hearing. We'll be back up here for a public hearing after the draft EIS is done. You can tell the judge, Judge, in your recommendations, I want you to recommend that when they cross the Jones property that the alignment is specified exactly where it's going to be, that they have that flexibility, you want to remove that flexibility. You can do that if you have an issue that warrants removing that flexibility.

MR. DARIN HELLER: Second question is, obviously, you know, we're local people and different careers, we're not experts in routing of transmission lines. If we want to propose an alternative route, obviously these landowners that you pointed out probably had some assistance. Where would we go to find the technical expertise to help us propose an alternative route to you as part of

this process?

MR. BILL STORM: I'll grant you that's a high bar for the public to get over. What the rules say is that if you want to propose a route, you need to bring that alternative forward with your reasons and your supporting information. And I hear often from the public. We try to work with you, if you have a concern and you want help in designing an alternative route segment, we do have the GIS group here tonight where you can walk over and you can show them your concern, and you can have them print out a map for you and they can draw on that map what alternatives you're thinking about.

Now, you don't have to know, because we're not asking you to evaluate that alternative. That's up to us to evaluate that alternative. So you don't need to know the scientificness or engineeringness of that alternative. We're just asking you to tell us what you're trying to mitigate and truly mitigate something, not just get it off my property. And then draw a line and -- look at a map and draw a line and see what you think. And if you need help, we can help you refine it a little bit. But that's what the environmental impact statement is all about, is taking your idea and fleshing it

out. What are the problems with this alternative Joe is proposing? I mean, Joe might not know it at the time, but he might draw that through a fen, you know, that somebody is really concerned about and that may be a red flag for it. So that's what the EIS is for.

The catch-22 that I see the public in is you really -- I understand you don't want to put an alternative on the table that's going to take an environmental scientist ten seconds to say, oh, no, you can't go through that scientific and natural area, that's dead. I understand that's a high bar. We have set up these GIS stations and they do have some of them layers, some of that information they can help you with.

But your job -- don't get hung up too much on your job as picking -- evaluating the merits of that alternative. You just have something I want to mitigate, I don't think there's any way to mitigate other than avoidance, and here's my idea for avoidance. We can take it from there. I mean, we may be able to tweak your route a little bit so it makes sense. I mean, you give me a route and you take it through a natural and scientific area and I know it can't, I'm going to look at that and say,

well, let's see if we can adjust Joe's route a little bit so it doesn't go through a prohibited area, you know, an area that it can't go through by law.

MR. DARIN HELLER: I have one last question. Is there a legal prohibition against -- as I'm looking at Google Earth and I'm looking at the route, I'm looking at the actual border between Minnesota, or the United States and Canada. Of an uninhabited wide swath that's already precut, what is prohibiting them from going right down the border and coming down south with the preexisting lines and they already have the presidential permit to cross the border?

MR. BILL STORM: Okay. I'm going to have to let MP answer that question. But I can see somebody saying -- and you may want to -- you may want to say, look, Bill, I looked at Google Maps, I see that the border is shaved for security, why don't you just follow down that border. You can submit that as an alternative to me. And there may be an answer that he knows right away because they might have looked at that already and they might have the answer on the top of their head and that might keep it from making it into scope, but that

shouldn't keep you from putting it on the table.

Jim, do you have anything you want to say?

MR. JIM ATKINSON: Well, I guess as far as the following the border, there are some constraints on both sides of the border that we can't go through, which is scientific and natural areas. On the north side there's something of a similar status, not a scientific and natural area. And then just the coming to an agreement on a point where we could actually agree with Manitoba Hydro that it's doable. So that business agreement is a big part of our routing when it comes to the border itself.

DR. JULIE ANN SMITH: Can I speak to the presidential permit decision?

The presidential permit decision wouldn't happen until that border crossing is identified and/or we have studied, if you say there's a swath of the area that potentially there are a couple points of access that the business agreement could tolerate, we would make sure the environmental analysis covers the impacts so that it's clear to you as well as clear to the decision-makers at DOE for the presidential permit decision that that is an

acceptable border crossing.

I also do want to mention that in a presidential permit decision we also have to gain concurrence by the Department of State as well as the Department of Defense. So while this is a DOE decision, we do also have to work within our federal family for issues related to national security, public interest, and other pieces of information that heed that decision. But we would not issue the permit and then that border crossing could change willy-nilly.

MR. BILL STORM: Okay. I do want to address your comment a little bit more.

I realize the bar is high. If you -there are two steps to evaluate. If you submit to
me during the comment period, Bill, I want you to
look at that, just what you said, I take those
comments and I'll seek information from the utility
on it. And I'll look at what their argument is
against it as I present to my commissioner what
should be in the scope. And if what I get back from
them doesn't quite convince me that, yeah, there's a
red flag here, this is not possible, then I push it
to scope, you know, and then it gets fleshed out
even deeper. So if you do bring that to the table

during this comment period, at the end of the comment period, as I said, I'll bundle the comments, and I'll ask MP, I want your opinion on all of this, give it to me. And if their opinion is not documented and fleshed out enough it may make it to scope.

Any show of hands? Oh, come on.

Okay. As I said, I really appreciate you guys coming out, this process is all about getting input from you to help me make a better document. There are poster boards here that show some stuff, there are copies of the application, and we do have two GIS stations up here, I encourage you to go look at it, get your printouts, get your comments made, drop your comments in the comment box or send them to me or to Jules, and we'll make sure your comment gets on the record. But I do appreciate you coming.

I'll give you one last chance. Anybody want to speak?

Okay. Thank you.

MR. JIM ATKINSON: And we do have a full complement of data layers.

MR. BILL STORM: Okay. There is a full complement of data layers on the GIS so you'll be able to see the conflicting information if you do